



Winston Hickox
Secretary for
Environmental
Protection



Gray Davis
Governor

MINUTES OF
REGULAR MEETING
Thursday and Friday, February 1-2, 2001
REGIONAL WATER QUALITY CONTROL BOARD

Thursday, February 1, 2001, 1:35 p.m.

Acting Chair Gary Shallcross called the meeting of the Central Coast Regional Water Quality Control Board to order at 1:35 p.m. on February 1, 2001, at the Morro Bay Veterans Hall, 209 Surf Street, Morro Bay, California.

1. Roll Call.....Office Technician Carol Hewitt
[1:35 p.m. to 1:40 p.m.]

Board Members Present:

Acting Chair Gary Shallcross
Leslie Bowker
Bruce Daniels
John Hayashi
Jeffrey Young

2. Introductions..... Executive Officer Roger Briggs

Executive Officer Roger Briggs introduced staff members Carol Hewitt, and Paul Jagger. The State Board liaison, John Brown is unable to attend due to a conflict. Mr. Briggs asked individuals

interested in making comments on agenda items to fill out a testimony card and turn it in to Paul Jagger. There are no supplemental sheets.

3. Election of Chair and Vice-ChairBoard Motion

Acting Chair Gary Shallcross called for nominations for election of Board Chair.

MOTION: Board member Daniels nominated Gary Shallcross as Board Chair. SECONDED by John Hayashi. CARRIED – Unanimously (5-0)

Chair Shallcross called for nominations for election of Vice Chair.

MOTION: Board member Hayashi nominated Les Bowker for Vice Chair. SECONDED by Jeffrey Young. Les Bowker nominated Bruce Daniels for Vice Chair. A roll call vote was taken: Hayashi (for Bowker), Young (for Bowker), Gary Shallcross (for Daniels), Bruce Daniels (for Daniels) Les Bowker (abstained). Chair Shallcross announced that the Board will have Co-Vice Chairs, Les Bowker and Bruce Daniels.

4. Duke Energy Morro Bay Power Plant [Michael Thomas 805/542-4623]Workshop

Staff, consultants to the Board, California Energy Commission staff and consultant, and Duke Energy staff and consultants presented a status

report to the Regional Board regarding the status of thermal effects and entrainment and impingement studies related to Duke Energy's

modernization of the Morro Bay Power Plant. The presentations included biological and physical studies, an overview of power plant alternatives, conceptual interpretation of biological results and an overview of how mitigation would be evaluated using a habitat valuation approach.

(Chair Shallcross announced a break at 3:30 p.m. The meeting reconvened at 3:40 p.m.)

Public comments were heard regarding the power plant upgrade. Several members of the public spoke in support of the project. Several others voiced concern regarding the environmental impacts on the Morro Bay estuary, and emphasized the special status of the Estuary. The

Board directed staff to gather more information on several items, including the species affected, the alternatives analyses (including varying intake structure water withdrawal points, re-use of heat, desal, heat exchangers in the ocean, offshore intake/outfall, etc., using cost estimates rather than subjective descriptions), the overall effects of the cooling water system (including influence on Morro Bay wastewater effluent.), and the effect of tides and swells on the outfall. The Board also asked for perhaps two public/environmental group members to be invited as Technical Work Group observers, and asked for clarification of before and after heat discharge figures.

Friday, February 2, 2001, 8:35 a.m.

5. Roll Call.....Office Technician Carol Hewitt
[8:35 a.m. – 8:40 a.m.]

Board Members Present:

Chair Gary Shallcross
Leslie Bowker
Bruce Daniels
John Hayashi
Jeffrey Young

6. Introductions.....Executive Officer Roger Briggs

Executive Officer Briggs introduced Jennifer Soloway, staff counsel, Paul Jagger, Carol Hewitt, John Goni, Harvey Packard and Michael LeBrun. Mr. Briggs asked interested individuals to

complete testimony cards and turn them in to staff. We have supplemental sheets for items 12 and 14. Regional Board senior staff introduced new staff members to the Board.

7. Approval of Minutes for November 28-29, 2000.....Board Motion

MOTION: Bruce Daniels moved to approve the minutes of November 28-29, 2000. SECONDED by Les Bowker. CARRIED – Unanimously (5-0)

8. Executive Officer's Report.....Executive Officer Roger Briggs

Heidi Whitman, County of Santa Barbara and Joe Deakin, Public Works Director, City of Paso Robles were available for questions.

Mr. Briggs will take up the remainder of the Executive Officer's Report during the latter portion of the meeting.

9. Public Forum Chair Shallcross

No members of the public addressed the Board.

10. Uncontested Items Board Motion

Item Nos. 11 and 12 were removed from the consent calendar. Item No. 13 is proposed to remain on the consent calendar.

MOTION: Leslie Bowker moved to accept Item No. 13 on the consent calendar. SECONDED by Bruce Daniels. CARRIED – Unanimously (5-0)

11. Heritage Ranch Wastewater Treatment Plant, San Luis Obispo County Order No. 01-006
[David Athey - 805/542-4644]

Staff Engineer, Mr. David Athey, introduced Mr. Brian Duke who read a brief letter regarding Army National Guard objections to the effluent discharge. The Guard objected to the discharge entering their property, which they contend, limits its use as a training facility. The Guard was concerned with the health effects the effluent may have on the troops and its nuisance odors. Executive Officer Roger Briggs pointed out that the effluent discharge limits for coliform and total bacteria are 40 times lower than the Basin Plan limits, and are the same as many requirements for irrigation of golf courses and parks. Mr. Duke replied that the Guard acknowledges the discharge is within the limits set, but they are still concerned for troop safety.

Board Member Bruce Daniels then asked Mr. Athey about the odor complaints in the letter and if there was anything we could do about it. Mr. Athey responded that the effluent percolates into a section of stream that contains a sulfur spring and is the likely source of the odors. Mr. Athey further stated that the effluent is also heavily aerated before discharge and not much else could be done to abate potential odors.

There were no other comments or questions from the Public or the Board.

MOTION: Bruce Daniels moved to approved Order No. 01-006. SECONDED by John Hayashi. CARRIED – Unanimously (5-0)

12. California Men's Colony, Department of Corrections, San Luis Obispo County Order No. 01-001
[Sorrel Marks 805/549-3695]

Sorrel Marks introduced the item stating there are not areas of outstanding controversy associated with the proposed permit reissuance. However, as the proposed permit is for one of the Region's major dischargers, a brief presentation will be provided to familiarize the Board members with the facility and current compliance issues. Ms. Marks briefly described the wastewater facilities at California Men's Colony and reviewed the compliance problems summarized in the staff report. Ms. Marks also reviewed the changes

proposed to the permit and reviewed each issue on the supplemental sheet.

Board Member Young questioned Ms. Marks regarding potential for bacterial contributions from CMC impacting Morro Bay Estuary. Ms. Marks responded that such issues are currently being investigated through the TMDL development process, however effluent limits are set at essentially no bacteria (2.2 MPN) which is the most restrictive standard used for effluent discharges. Board Member Daniels requested the

CMC monitoring program be modified to be consistent with that adopted for Heritage Ranch. Board Member John Hayashi suggested including the Agricultural Department in the notification chain.

Larry Parlin, consultant to CMC, made a presentation regarding the extensive collection system and treatment facility upgrade projects currently underway. Timing of completion and funding issues were also discussed.

MOTION: Bruce Daniels moved to approve WDR Order No. 01-001 with the revisions indicated in the supplemental sheet and additional biosolids monitoring consistent with Heritage Ranch. Frequency of dioxin monitoring and spill notification of the Agricultural Department were also added to the proposed Order. **SECONDED** by John Hayashi. **CARRIED – Unanimously (5-0)**

13. Monterey Bay Area Dischargers Monitoring Program Revisions.....Order No. 00-04
[Karen Worcester 805/549-3333]

An example of a revised NPDES Monitoring and Reporting Program was provided for approval by the Board, implementing the Monterey Bay Area Dischargers Regional Monitoring Program. The MRP was for the City of Santa Cruz Wastewater Treatment Plant. This and similar MRPs will be sent to the City of Watsonville, Monterey Regional Water Pollution Control Authority, and the Carmel Area Wastewater District under

Executive Officer signature. Board Member Bruce Daniels asked for clarification on who would be responsible for approving the Quality Assurance Program Plan each year. Roger Briggs responded that he would be responsible and that this will be clarified in the MRP language. This item was placed on the consent agenda and approved.

14. City of San Luis Obispo, San Luis Obispo County.....Order No. 00-143
[Corinne Huckaby 805/549-3504]

Sanitary Engineer Technician, Corinne Huckaby, presented the City of San Luis Obispo’s pollution case stemming from the July 6, 2000 unauthorized discharge of grout and bentonite laden waters. City staff was present at the Board meeting and was not contesting the incident, or the assessed fine. Ms. Huckaby briefly described the circumstances surrounding the incident presenting a diagram attempting to show how the incident occurred and actual photographs showing the discharge at two locations along the creek. She concluded her presentation with an outline of the City’s proposed supplemental environmental project (SEP) and recommended that the Board adopt the revised order which included the payment of \$10,000 to fund the proposed SEP (Land Conservancy of San Luis Obispo project on Stenner Creek, a tributary of San Luis Obispo Creek).

Ms. Huckaby indicated that, immediately downstream from discharge point, for short duration pH levels in the creek were elevated. She further indicated that the City had prepared a cleanup plan and coordinated possible cleanup with trustee agencies, but because materials did not remain in the creek, no further cleanup was necessary.

City staff members, Wayne Peterson and Jeff van den Eikoff, addressed the Board assuring members that the City does not like pollution and how the City has attempted to do many things to prevent such incidents from occurring. City staff made themselves available to the Board to answer any questions the Board might have. Brian Stark from the Land Conservancy of San Luis Obispo was also in attendance, introducing himself to the Board and answering Board members’ questions regarding specifics about the SEP.

Board member Bruce Daniels inquired regarding the toxicity of materials discharged to the Creek.

MOTION: Bruce Daniels moved to approve Order No. 00-017 to include a SEP and payment of \$10,000 from the City to the Land Conservancy of San Luis Obispo County for implementation.

SECONDED by Leslie Bowker. **CARRIED – Unanimously (5-0)**

15. Five Mile House Market, Santa Cruz CountyOrder No. 01-019
[Bob Hurford 805/542-4776]

The Five Mile House Market (Dischargers) failed to complete the required groundwater monitoring during the dry season period 2000 (September or October) and failed to submit the required semi-

annual monitoring report, and Executive Officer issued a complaint. The Market owner informed staff she waived the hearing and the check was in the mail.

MOTION: Bruce Daniels moved to approve Order No. 01-019 contingent upon receiving a signed waiver of a right to a hearing and payment of the civil liability of \$750 within 30 days of the date of the hearing. **SECONDED** by Leslie Bowker. **CARRIED – Unanimously (5-0)**

16. Mrs. Hano Burns, dba Bear Valley Chevron, San Luis Obispo CountyOrder No. 01-022
[Sheila Soderberg 805/549-3592]

The Board opened the hearing regarding imposition of administrative civil liability for Ms. Hano Burns. Sheila Soderberg, staff geologist, stated a technical report requested pursuant to section 13267 of the Water Code had not been received by the due date of October 30, 2000. As a result, a complaint for civil liability for \$3,000 was issued to Ms. Burns on December 28, 2000. Mr. Lee Broshears, attorney on behalf of Ms. Burns indicated the report was late due to circumstances beyond Ms. Burns control.

However, the report was completed and recently submitted.

Mr. Jon Rohr, on behalf of Los Osos Community Services District indicated that quick and aggressive action needs to be taken at sites with MTBE.

Following public testimony, Roger Briggs recommended suspending \$2,500 of the penalty due to the extenuating circumstances.

MOTION: John Hayashi moved to approve Order No. 01-022 to include the following: A total civil liability of \$3,000 with the sum of \$500 will be paid by March 5, 2001. Payment of the remaining liability of \$2,500 is suspended on the condition that the Discharger complies with all of the following:

- a) Pays \$500 by March 5, 2001
- b) Submits the three items and dates
- c) All tasks stated in b) above are completed on time to the satisfaction of the Executive Officer, all liability under this order will be satisfied
- d) If the Executive Officer determines the Discharger has failed to satisfactorily complete any of the tasks described in b) on time, the Discharger will pay the sum of \$2,500 to the Regional Board within 30 days of notice of the Executive Officer.
- e) The Regional Board reserves its jurisdiction to amend the time schedule based on delays caused beyond the reasonable control of the Discharger.

SECONDED by Leslie Bowker. **CARRIED – Unanimously (5-0)**

17. Locatelli Moving & Storage, Santa Cruz CountyOrder No. 01-025
[Jennifer Bitting 805/549-3334]

Jennifer Bitting explained that Locatelli Moving & Storage (Dischargers) failed to submit the required 1999-2000 Industrial Storm Water Annual Report on time. Section 13268 of the CWC provides that any person failing or refusing to furnish technical or monitoring program reports required by the Regional Board pursuant to Section 13267, may be civilly liable.

Ms. Ann Asche of Locatelli Moving and Storage that her husband ran the business prior to his recent death, and she was doing her best to follow up with business requirements. Executive Officer Roger Briggs recommended modifying Administrative Civil Liability Order No. 01-025 to require a suspended amount of \$2,000 contingent on Locatelli paying \$1,000 and submitting the 2000-2001 Annual Report on time.

MOTION: Jeff Young moved to approve Order No. 01-025 to include a total liability of \$3,000 with \$2,000 suspended contingent upon completion and the timely submittal of the July 1, 2001 Annual Report, and to include language as prepared in the previous item. SECONDED by Leslie Bowker. CARRIED – Unanimously (5-0)

18. Enforcement Report [Brad Hagemann 805/549-3697]Status Report

This is a written report only. Bruce Daniels asked about the violations for the San Lorenzo Valley USD. Brad Hagemann noted that a number of the violations are nitrogen removal or flow based violations. He believes that the reason the discharger appeared on the report so frequently this time is due to the fact that the discharger is a semi-annual or annual reporter. Mr. Hagemann believes the discharger’s reporting should be increased to quarterly or even monthly. Howard Kolb will provide additional information later in this meeting. This was a status report only, no action taken.

Mr. Kolb did address the school district later in the meeting and described his meetings with District representatives and their plans for abating discharge violations, most of which stem from flows far exceeding treatment system design capacity. The District is required to inform the Regional Board by February 8, 2001 of how compliance will be achieved. Mr. Briggs asked for and received assurance that the violations are not causing surfacing of effluent (which would be a public health concern).

8. Executive Officer’s ReportRoger Briggs

Executive Officer Roger Briggs summarized the Waiver of Waste Discharge Requirements for Z-Best Composting Facility in Santa Clara County. He also mentioned the bacterial contamination in Morro Bay Estuary and the effort to identify sources. The University of Washington’s Dr. Samadpour is using DNA analysis to type bacteria. The overall purpose of this effort is to make recommendations for remedial actions in concert with TMDL development. Jeff Young requested an update after new samples are available, and Mr. Briggs acknowledged that staff will update the Board.

Investments, Pasatiempo II Investments, and Richard S. Gregersen, The Inn at Pasatiempo, in Santa Cruz County. He said the wastewater treatment system is operational but still needs an air filter and a grease trap. Staff member Howard Kolb will inspect and sample the facility once it is fully operational (estimated two weeks).

Wickland Properties, a service station in Santa Cruz County, is recommended for closure of its underground storage tank case. There was no objection from Board members.

Mr. Briggs added to the written report for Adventco Holding Corporation, Pasatiempo

Executive Officer Briggs announced that a workshop for funding of projects under Proposition 13 is planned for the afternoon before

the next Board meeting in March. We will also have a workshop for MTBE at that time.

(Chair Shallcross announced a break for lunch at 12:00 p.m.. The meeting reconvened at 1:25 p.m.)

Bruce Daniels provided a copy of a newspaper article on Santa Cruz Harbor dredging which raised questions about compliance with the water quality certification. He asked for clarification on the Templeton Products site which Sheila

Soderberg answered. Ms. Soderberg also answered his questions regarding the Texaco station in Paso Robles. Chair, Gary Shallcross, noted that Pacific Grove seems to be going in the right direction to make collection system improvements but asked staff to monitor the situation. Bruce Daniels asked about the Santa Cruz Biotechnology, Inc. site status. He asked that staff consider enforcement for violations.

19. MTBE Sites [Jay Cano 805/549-3699] Status Reports

Mr. Cano, Senior Engineer, provided the Board with an overview of the problem of MTBE in the Region and referenced the list of MTBE sites. He referenced staff's further effort to request operating service stations to begin investigation of groundwater based on studies showing contamination caused by operating service stations. Also, several meetings were held the last week to discuss progress and further efforts at three high priority sites in San Luis Obispo County. Finally, he discussed management of the MTBE problem on many fronts which presents a challenge to staff as well as the responsible parties.

Staff geologist, Sheila Soderberg provided a status report for Chevron, Cambria, Shell/Equiva, Morro Bay, and Bear Valley Chevron, Los Osos sites.

Pam Heatherington of the Environmental Center stated that she has observed service stations hosing off fueling areas. Board staff indicated a regional monitoring program in place to help find potential problem areas.

Dave Holly asked whether MTBE is a Proposition 65 listed chemical and stated that the discharge shall not be allowed to enter any source of drinking water.

Helen May, President of Cambria Community Services District, (CCSD) wants monitoring of groundwater closer to Santa Rosa Creek and wants

to be apprised of how much MTBE is being extracted from Chevron's cleanup system.

Peter Chaldecott, CCSD, wants non-detect in ground water, and indicated MTBE free gasoline is being delivered in Atascadero.

Ken Topping, General Manager of CCSD, applauds the expedited site assessment process and indicated a substantial outlay of funds by the District in response to the problem in Cambria.

Barbara Graves, asked that staff notify the City of Capitola and other well owners near the Quick Stop Market site in Soquel.

Frank Villeneuve, CCSD, emphasized the water crisis in the community of Cambria.

Ilan Funke-Bilu CCSD, also indicated the water crisis in Cambria and requested more aggressive action by Chevron.

Following a discussion, the Board indicated it intends to keep the MTBE problem as one of its highest priorities and to be more aggressive with cleanup.

23. Videotape Services for Regional Board Meetings [Paul Jagger 805/549-3502] Status Report

Assistant Executive Officer Paul Jagger discussed the opportunities and costs of videotaping and televising selected workshops and Regional Board meetings. He reviewed cost figures provided in a proposal by AGP Video. Nancy Castle of AGP

Video also discussed their cost proposal, and possible technical enhancements to the video taping and televising process. The Board directed staff to pursue funding options to continue pilot testing the service for selected workshops or

meetings. Options include possible shared funding with San Luis Obispo County and other agencies. Staff will evaluate feedback and performance of the service during this period.

Staff will provide an update on the process at the next meeting.

(Chair Shallcross announced a break at 4:15 p.m. The meeting reconvened at 4:20 p.m.)

20. Buena Vista Mines & Klau Mines Remediation Project, San Luis Obispo CountyStatus Report
 [Gerhardt Hubner 805/542-4647]

Senior Engineering Geologist Gerhardt Hubner provided the Board with a presentation and status report on the remediation project at the Buena Vista and Klau Mines. The presentation included the following elements on both mines: Location/Background/Historical Perceptive, the Clean Lakes Report, Environmental and Water Quality Impacts, Conditions in the 90s, Regional Board efforts, State and Federal Legal Actions, U.S. EPA's efforts, and an overview of the remediation work completed in the Summer of 2000. The presentation concluded with Mr. Hubner providing some of the environmental benefits of the remediation project.

Mr. Harold Biaggini, owner of both the Buena Vista and Klau Mines, read a letter he submitted to the Board earlier that day. Mr. Biaggini stated that no pollution has ever come from his mine sites. Mr. Biaggini also referenced two pieces of correspondence: a letter, prepared by his attorney; and a report submitted last summer by his consultant Mr. Marvin Niccum.

Mr. Niccum then spoke to the Board regarding the report he authored under contract to Mr. Biaggini. He stated his concerns regarding the Clean Lakes Report, completed by Cal Poly researchers in 1993. His investigation contradicted the report,

and the report's model, which showed 78% of the mercury loading to Lake Nacimiento was from the Las Tablas Creek watershed, with the Buena Vista mine the primary source. His investigation indicated that mercury loading to the Lake was from a number of other sources within the watershed. Upon questioning from Staff Counsel Jennifer Soloway Mr. Niccum admitted that mines do contribute acid mine drainage, and mercury bearing sediment from erosion. Upon further questioning he stated that these sources cause pollution, and both these sources of pollution occur at both the Buena Vista and Klau mines. Executive Officer Roger Briggs asked Mr. Niccum the date of the last monitoring report he reviewed. Mr. Niccum replied that he believed the last one he reviewed was dated 1994.

Executive Officer Roger Briggs asked Mr. Biaggini a follow-up question of whether Mr. Biaggini had paid the \$300,000 due as part of his sentencing in Federal Court. Mr. Biaggini replied that the corporation (Buena Vista Mine Inc.) had not paid the money, since the corporation had no money. In addition, the Federal judge in the case had not set a time deadline for payment to be received.

21. Military Program Update Regionwide [Michael LeBrun 805/542-4645]Status Report

Michael LeBrun (Regional Board Staff, Defense Program Manager) gave a brief introduction to the Region's Department of Defense program. Program organization, Military Facilities, Staff introductions, and funding breakdown. were all touched on. Bill Meece (RWQCB Staff, Vandenberg Air Force Base Project Manager) gave an overview of activities ongoing at

Vandenberg Air Force Base. Mr. Meece presented a break down of clean up areas, numbers of closed and remaining sites, and a close look at two of the larger projects. Board member Jeff Young asked if Federal funding covered all State oversight costs; Bill Meece affirmed that it did.

22. Budget Concepts and Priorities [Paul Jagger 805/549-3502].....Status Report

Assistant Executive Officer Paul Jagger discussed the process of setting priorities for future budget years, and integrating Region 3’s priorities into the statewide process. The Board reviewed and approved the list of priorities in Attachment A, and

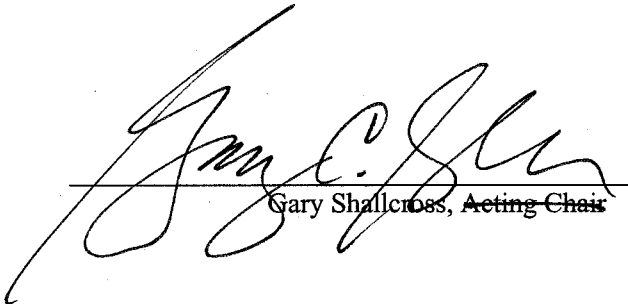
designated Board member Jeffrey Young to represent the Board in the budget process. Staff will brief Mr. Young on the budget process before the statewide meetings this spring.

25. Reports by Regional Board MembersStatus Report

Jeffrey Young will be our budget representative in Sacramento.

Chair Shallcross adjourned the public meeting at 5:30 p.m.

The meeting was audio recorded and the minutes were reviewed by management, and approved by the Board at its March 22-23, 2001 meeting in Salinas, CA.



Gary Shallcross, Acting Chair